109112012001142

SECURITIES AND EXCHANGE COMMISSION

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Company Information

SEC Registration No.	0000039243
Company Name	IMPERIAL RESOURCES INC.
Industry Classification	Coal Mining
Company Type	Stock Corporation

Document Information

Document ID	109112012001142
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COVER SHEET

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S.E.C. Registration Number

I M P E R I A L R E S O U R C E S , I N C .

(Company's Full Name)

8 2 - J 4 T H S T R E E T N E W M A N I L A
Q U E Z O N C I T Y

(Business Address: No. Street City / Town Province)

VICENTE R. ACSAY	6 3 2 - 7 2 4 2 9 8 6
Contact Person	Company Telephone Number

A M E N D E D

1 2	3 1	**SEC FORM 17-Q** **Quarterly Report as of June 30, 2012**	0 7	1 4
Month	Day		Month	Day
Fiscal Year		Form Type	Annual Meeting	

Secondary License Type, If Applicable

C F D

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

Remarks = pls. Use black ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q, *AS AMENDED*

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended: **June 30, 2012**

2. Commission identification number: **39243** 3. BIR Tax Identification No**.: 000-463-670**

IMPERIAL RESOURCES, INC.

....
4. Exact name of issuer as specified in its charter

Metro Manila, Philippines

....
5. Province, country or other jurisdiction of incorporation or organization

6. Industry Classification Code: (SEC Use Only)

82-J 4th Street, New Manila, Quezon City **1112**

....
7. Address of issuer's principal office Postal Code

(632) 724-2986

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8. Issuer's telephone number, including area code

Not Applicable

....

9. Former name, former address and former fiscal year, if changed since last report

10.Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class	Number of shares of common stock outstanding and amount of debt outstanding
Common Stock – P5.00 par value	
44,000,000 Million Common Class “A”	44,000,000 Million Common Class “A”
6,000,000 Million Common Class “B”	6,000,000 Million Common Class “B”
50,000,000 Million Common Class “A” and Class “B” shares	50,000,000 Million Common Class “A” and Class “B” shares

There are no debt securities

Amount of Debt Outstanding – P 3,585,161.00

Thirty Million (30,000,000) Common Class “A” shares are exempted from registration

11. Are any or all of the securities listed on a Stock Exchange?

Yes [x] No [ ]

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

Philippine Stock Exchange	Common Class “A”; Common Class “B” shares

Original Twenty Million (20,000,000) shares are listed in the Philippine Stock Exchange. Thirty Million (30,000,000) Common Class “A” shares are being readied for listing application.

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes [x] No [ ]

(b) has been subject to such filing requirements for the past ninety (90) days.

Yes [x] No [ ]

PART I – FINANCIAL INFORMATION

FINANCIAL STATEMENTS

1. The Financial Statements are as follows:

a) Consolidated Statements of Financial Position as of June 30, 2012 (Unaudited) and December 31, 2011 (Audited).

b) Unaudited Consolidated Statements of Changes in Equity for the Six (6) Months Ended June 30, 2012 and 2011.

c) Unaudited Consolidated Statements of Comprehensive Income for the Quarters Ended June 30, 2012 and 2011 and for the Six (6) Months Ended June 30, 2012 and 2011.

d) Unaudited Consolidated Statements of Cash Flows for the Six (6) Months Ended June 30, 2012 and 2011.

e) Aging of Accounts Receivable as of June 30, 2012.

2. Notes to Interim Financial Statements and Other Matters:

a. The Group's interim financial statements as of June 30, 2012 presented in this report have been prepared in conformity with generally accepted accounting principles. The same have been prepared in accordance with the Philippine Financial Reporting Standards (PFRS). The same accounting policies and methods of computation were followed in the interim financial statements as compared with the Group's financial statements as of December 31, 2011.

b. There were no material seasonal or cyclical factors that affected the Group's financial condition and results of operations during the period covered by this report.

c. There were no items affecting assets, liabilities, equity, net income, or cash flows considered unusual because of their nature, size, or incidents aside from what is disclosed in the "Analysis of Financial Condition and Results of Operation" portion.

d. The Group did not use estimates of amounts in its interim period reports covering the 2nd quarter of the year 2012 and end of the year 2011, hence, no changes that have material effect in the current interim period can be reported.

e. The Group has no issuances, repurchases and repayments of debt and equity securities. It has no short-term or long-term promissory notes. Therefore, it has no interest expense nor amortization of debt discount and expense or premium.

f. Management is not aware of any material events subsequent to interim period ending June 30, 2012 that have not been reflected in the financial statements for said period.

g. There have been no changes in the composition of the Group during the interim period covered by this report, including business combinations, acquisition or disposal of subsidiaries and long-term investments, and restructurings. PCC, the subsidiary, has temporarily suspended the operations of its techno-vocational project since the start of 2010.

h. The Group has no contingent liabilities or contingent assets since December 31, 2011.

i. There are no material contingencies and any other events or transactions that are material to an understanding of the current interim period.

j. There were no material segment revenue and segment business results during the period covered by this report.

k. There has been no cash or stock dividends paid by the Group since incorporation.

l. No allowance for doubtful accounts has been set up during this period covered by this report and therefore, there is no reversal of allowance for doubtful accounts including those receivables pertaining in related parties.

m. Certain accounts have been reclassified and comparative figures have been adjusted to conform with the presentation of the Consolidated Financial Statements as of December 31, 2011.

n. The Group has not adopted any PFRS which are not yet effective during this quarter covered by this report.

PFRS 9 – Financial Instruments: Classification and Measurement of financial assets and financial liabilities which will ultimately replace PAS 39, Financial Instruments: Recognition and Measurement, in three phases namely:

1. Classification and Measurement of financial assets and financial liabilities
2. Impairment Methodology
3. Hedge Accounting

This standard will take effect starting January 1, 2013. However, early adoption for the 2011 annual financial reporting is allowed.

PFRS 9 introduces new and simplified requirements for classifying and measuring subsequently financial assets and financial liabilities by using either the Amortized Cost or Fair Value, impairment method and hedge accounting.

The Group has decided not to early adopt PFRS 9 for its 2012 Annual Reporting. Currently, management thinks that there is no material impact of the adoption of this standard on the Group's Consolidated Financial Statements. Management will, however, continue its evaluation and assessment during 2012.

o. Financial Risk Management Objectives and Policies

The Group's activities are exposed to a variety of financial risks: credit risk, liquidity risk, market risk and fair value estimates. The Group's over all risk management program seeks to minimize potential adverse effects on its financial performance and to make an optimal contribution to its revenues by managing these risks. The Group's risk management, vested thru the Board of Directors, focuses on actively securing its short to medium-term cash flows by minimizing the exposure to financial risks. Long-term financial investments are managed to generate lasting returns.

Financial risk factors

The Group's financial assets and liabilities, comprising mainly of cash and cash equivalents, trade and other receivables, available-for-sale investments and refundable deposits are exposed to a variety of financial risks. The management ensures that it has sound policies and strategies in place to minimize potential adverse effects of these risks in the Group's financial performance. The Group does not actively engage in the trading of financial assets for speculative purposes nor does it write options.

1. Credit risk management

Credit risk refers to the risk that a counterpart will default on its obligations resulting in financial loss to the Group. The Group has adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. Generally, the maximum credit risk exposure of financial assets is the carrying amount of the financial assets.

The credit risk for cash and cash equivalent is assessed by Management as low risk since these are deposited with reputable banks which have low probability of insolvency. The amount of the Group's trade and other receivables account is not material. The Group's maximum exposure to credit risk from the available-for –sale investments is equivalent to the fair value of the shares in the Philippine Stock Exchange (PSE). The Group has no investments in foreign securities.

2. Liquidity risk management

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities. The Group manages liquidity risk by maintaining adequate highly liquid assets in the form of cash and cash equivalents. A call of subscription receivable is an alternative to raise cash. The major stockholders have committed to pay their subscription payable as the need arises even in the absence of a call by the Board of Directors. The current ratio as of June 30, 2012 is 5.22: 1.

3. Market risk management

Market risk is the risk of loss to future earnings, to fair value or to future cash that may result from changes in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes.

3.1 Interest rate and foreign currency risk

The Group's exposure to the risk of changes in interest rates is minimal since its cash and cash equivalents have fixed interest rates not affected by interest rates in the market. The Group does not have any interest bearing notes payable and is therefore not affected by changes in interest rates. The Parent Entity is exposed to foreign currency risk primarily with respect to its monetary assets denominated in US Dollar which are used to cover the development costs of its mining project in Indonesia. The Parent Entity's financial position and financial performance are affected by the movements in the Philippine Peso to US Dollar exchange rates. Foreign currency risk arises when recognized assets and liabilities are denominated in a currency that is not the entity's functional currency.

The balance of the US Dollar denominated cash and cash equivalents was US$63,579 on December 31, 2011 and US$63,691.42 on June 30, 2012. Any unrealized gain/loss from foreign exchange rate the amount of which is usually immaterial is taken up at the end of the year.

3.2 Other Price Risk Sensitivity

The Parent Entity's market price risk arises from available-for-sale financial asset which is carried at fair value. It manages its risk from changes in market price by monitoring the changes in the market price of the investments.

Philcomsat Holdings Corp. has remained suspended by Philippine Stock Exchange (PSE) as of June 30, 2012, hence, there is no available market value in the PSE. Export and Industry Bank had been suspended for several years until it has placed under receivership by the Bangko Sentral ng Pilipinas. During the early part of this quarter Management decided not to recognize the impairment loss this quarter since both issuing companies are not yet dissolved and there are assets to be sold upon dissolution which are expected to be distributed to investors/shareholders. In the case of Export and Industry Bank there is a possibility of a takeover by another bank. Management believes that the provision for impairment loss taken up in the books is sufficient.

ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The stock market was bullish during the second quarter of 2012. The Class “A” shares (IMP) of the Parent Entity traded at the PSE at a high of P11.98, low of P8.50 and closing price at P8.50 with a volume of 108,400 shares while its Class “B” shares traded at a high, low and closing at P65.00 with a volume of 10 shares. During the same period in 2011 the Class “A” shares traded at a high, low and closing at P9.00 with a volume of 4,000 shares. During the first quarter of 2012 the Class “A” shares traded at a high of P18.40, low of P7.02 and closing at P8.62 with a volume of 256,500 shares while Class “B” shares traded at a high of P132.00, low of P41.00 and closing at P130.00 with a volume of 1,450 shares.

A total amount of about P1.2 million was collected from a major stockholder in payment for his subscriptions as per his commitment to support the Group’s operations. This amount was used to finance the operational activities of the Group.

During the second quarter covered by this report the Group did not dispose any asset of material amount nor does it plan to in the near future. It has not budgeted nor committed any substantial amount for material or capital expenditures for the coming quarters. Parent Entity is still awaiting the budget requirement for the completion of the Project Feasibility Report and Environmental Impact Report for its mining project. The Group will not encounter any cash problem in pursuing its projects because the major stockholders have committed to continue supporting the operations of the Group by paying their subscriptions.

Based on the unaudited consolidated statements of financial position as at June 30, 2012 and audited statements of financial position as at December 31, 2011, presented below are the material (5% or more) changes and their causes:

1. **Cash and cash equivalents -**
   This account during the first six (6) months of 2012 went down by P163 thousand or 5.14% from the balance of about P3.2 million as at December 31, 2011. The total cash receipts from the subscription receivable account (paid-up capital) for the six-months period was P5.35 million while the total disbursements representing administrative expenses, mining project costs, and liquidation of payables was P5.5 million.

2. **Receivables -**
   The 100% decrease in the first half of 2012 was due to the adjustment made on accrued interest receivable amounting to P231 as of December 31, 2011.

3. **Prepayments –**
   The account decreased by about 26.9% or P192 thousand as of June 30, 2012 representing the expense portion of the prepaid insurance account set up on December 31, 2012.

4. **Exploration and evaluation assets –**
   The 8.15% increase in the exploration and evaluation asset account as of June 30, 2012 was brought about by the amount disbursed for the additional geological and geophysical works to be performed in relation to the preparation of the environmental impact report for the mining project.

5. **Accruals and other payables –**
   There was a decrease of about 7.74% or P50 thousand in the first half of 2012 because some accrued expense payables as of December 31, 2011 were settled.

The following are the material changes (5% or more) in the income and expense accounts during the second quarter of year 2012 compared with the same period in year 2011 as presented in the Consolidated Statement of Comprehensive Income and the reasons for such changes:

1. **Salaries and Wages -**
   The 9.29% or about P57 thousand increase during the 2nd quarter of 2012 was the result of the salary adjustments made by virtue of the passing of Wage Order No. NCR-17 effective June 3, 2012.

2. **Director's Fee -**
   The 16.7% decrease or about P95 thousand during the 2nd quarter of 2012 was due to the absence of one (1) director in one (1) board meeting.

3. **Professional Fees -**
   There was a decrease of about 67.7% or P68 thousand during the 2nd quarter of 2012 because there was no professional fee paid relative to the Parent Entity's mining project unlike in the same period in 2011.

4. **Utilities –**
   The usage of cellphones by the Parent Entity's employees and electricity consumption decreased which resulted to the decrease of about 22.3% or P34 thousand in the 2nd quarter of 2012.

5. **Rental Expenses –**
   The Parent Entity's office rental was increased in January, 2012 and an additional office space was rented to house some of its records and files also during the 1st quarter of 2012. These resulted to the increase by about 67.6% or P81.7 thousand over 2011 figure.

6. **Repairs and Maintenance –**
   Most of the old and outmodeled office equipment were repaired in 2011. Since these were in a better working condition in 2012 the amount incurred during the period covered by this report decreased by about 81.5% or P135 thousand.

7. **Travel and Transportation –**
   The operating activities of the group required lesser usage of company vehicles resulting to lower gasoline consumption, hence, a decrease of about 69.9% or P58 thousand.

8. **Dues and Subscription –**
   In 2011, the Parent Entity paid membership dues for one of its officers to the Rotary Club of Makati Ayala. However, in 2012 the said Club ceased operations, hence no dues was paid resulting to a decrease of about 42.2% or P23 thousand.

9. **Miscellaneous –**
   There was an increase in the out-of-pocket expenses incurred by the Group's external auditor which resulted to the increase of 49.5% or about P8 thousand during the 2nd quarter of 2012 compared with the amount incurred during the same period in 2011.

10. **Security Services -**
    The security services for March, 2012 for the account of the Subsidiary was paid and taken up during the second quarter of 2012, hence, the increase of about 10.6% or P13 thousand.

11. Supplies and other expenses -

This account also includes reproduction expenses. The decrease in the reproduction expenses resulted to the decrease by about 44.2% or P32 thousand during the 2nd quarter of 2012.

12. SSS, PHIC, and HDMF contributions –

Because of the salary adjustment effected in June 2012, this account increased by 37.7% or P7 thousand.

13. Representation and Entertainment –

There were more entertainment activities during the 2nd quarter of 2012, hence, the 357.2% or about P6.4 thousand increase.

14. Taxes and Licenses –

The increase of about 28.4% or P2 thousand was due to the reclassification entry of taxes and licenses account made in the second quarter of 2012 to correct the entry made during the first quarter of 2012.

15. Insurance –

The increase of about 1,050% or P10 thousand represents the expense portion of the prepaid insurance account for the second quarter of 2012. There was none in the same period in 2011.

THE GROUP'S FINANCIAL SOUNDNESS INDICATORS

Presented below are the Financial Soundness Indicators used by the Group for the 2nd quarter of 2012:

1. Liquidity

   Current ratio was 5.22:1.00 computed by dividing the total Current Assets amounting to P3,067,016.00 by the total Current Liabilities amounting to P587,872.00 .

2. Solvency

   Debt ratio was 0.0076:1.0000 computed by dividing the Total Liabilities amounting to P3,585,161.00 by the Total Assets amounting to P468,960,037.00 .

   Debt to equity ratio was 0.0077:1.0000 computed by dividing the Total Liabilities amounting to P3,585,161.00 by the Total Equity amounting to P465,374,876.00 .

3. Asset to equity ratio was 1.0077:1.0000 computed by dividing the Total Assets amounting to P468,960,037.00 by the Total Equity amounting to P465,374,876.00.

4. Profitability

   Basic loss per share was P0.022 computed by dividing the Total Net Loss attributable to the Equity Holdings of the Parent Entity amounting to P2,890,215.00 by the number of common shares outstanding which was 130,000,000.

Presented below are the Financial Soundness Indicators used by the Group for the 2nd quarter of 2011:

1. Liquidity

   Current ratio was 43.22:1.00 computed by dividing the total Current Assets amounting to P2,850,067.00 by the total Current Liabilities amounting to P65,939.00 .

2. Solvency

Debt ratio was 0.0066:1.0000 computed by dividing the Total Liabilities amounting to P3,046,454.00 by the Total Assets amounting to P460,889,868.

Debt to equity ratio was 0.0067:1.0000 computed by dividing the Total Liabilities amounting to P3,046,454.00 by the Total Equity amounting to P457,843,414.00 .

3. Asset to equity ratio was 1.0067:1.0000 computed by dividing the Total Assets amounting to P460,889,868.00 by the Total Equity amounting to P457,843,414.00.

4. Profitability

Basic loss per share was P0.026 computed by dividing the Total Net Loss attributable to the Equity Holdings of the Parent Entity amounting to P3,346,573.00 by the number of common shares outstanding which was 130,000,000.

The Group does not have any interest bearing debt and therefore, does not use Interest bearing Debt to Equity Ratio as Financial Soundness Indicator.

Management has no knowledge of any trends, demands, commitments, events, or uncertainties that would have material impact on the Group's liquidity. The Group look at its current assets as source of liquidity. A call on subscription receivable is an alternative to raise cash. However, the major stockholders have committed to pay their subscription payable to the Group as the need arises especially in pursuing its mining project even in the absence of a call by the board of directors. Management has no knowledge of any trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on the Group's operations. Management is not aware of any significant elements of income or loss that did not arise from the Group's operations nor were there any seasonal aspects that had material effect on the financial condition of the Group during the period covered by this report.

There are no events that will trigger direct or contingent financial obligation that is material to the Group, including any default or acceleration of an obligation. There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Group with unconsolidated entities or other persons created during the reporting period.

As at the end of the 2nd quarter of year 2012, the Group was not in default in any of its indebtedness. It has enough resources or can raise resources if necessary in order to meet any of its obligations and implement its planned activities. It does not foresee any liquidity problem in the coming quarters.

PART II – OTHER INFORMATION

All material events and / or matters during the period covered by this report were disclosed under SEC Form 17-C. There are no other material matters/events during the period covered by this report which are required by SEC to be disclosed that are not disclosed with SEC.

IMPERIAL RESOURCES, INCORPORATED AND SUBSIDIARY

Consolidated Statements of Financial Position
June 30, 2012 and December 31, 2011

		Amounts in Philippine Peso		
		*		**
		June 30 2012		December 31 2011
A S S E T S				
Current assets				
Cash and cash equivalents	**P**	**3,014,677**		3,177,942
Trade and other receivables (net)		**-**		231
Prepayments		**52,339**		71,546
Total current assets		**3,067,016**		3,249,719
Non current-assets				
Available-for-sale- investments		**107,640**		107,640
Property and Equipment - net		**2,405,016**		2,405,016
Investment property		**425,000,000**		425,000,000
Exploration and evaluation assets		**33,980,204**		31,420,904
Deposit		**45,000**		45,000
Deferred Tax Assets		**4,355,161**		4,355,161
Total non-current assets		**465,893,021**		463,333,721
TOTAL ASSETS	**P**	**468,960,037**		466,583,440
LIABILITIES AND EQUITY				
Current liabilities				
Accruals and other payables	**P**	**587,872**	P	637,165
Non-current liabilities				
Retirement benefits payable		**2,997,289**		2,997,290
TOTAL LIABILITIES		**3,585,161**		3,634,455
Total Equity Attributable to Equity Holders of the Parent Entity				
Share Capital		**606,061,489**		600,716,188
Reserve Fair value loss		**(946,960)**		(946,960)
Revaluation Surplus		**25,000,000**		25,000,000
Deficit		**(164,003,860)**		(161,113,645)
		466,110,669		463,655,583
Non-controlling Interest		**(735,793)**		(706,598)
TOTAL EQUITY		**465,374,876**		462,948,985
TOTAL LIABILITIES AND EQUITY	**P**	**468,960,037**	P	466,583,440

* Unaudited
** Audited

IMPERIAL RESOURCES, INCORPORATED AND A SUBSIDIARY

Consolidated Statements of Changes in Equity
(Unaudited)
For the Six (6) Months Ended June 30, 2012 and 2011

	Amounts in Philippine Peso **June 30 2012**	June 30 2011
EQUITY		
Capital Stock - P5.00 par value		
Authorized - 360,000,000 shares		
Class "A" - 216,000,000 shares for 2012 and 2011		
Issued and Outstanding - 33,553,107 and 25,553,107 shares for 2012 and 2011		
Balance at Beginning of Year	**P 147,765,536**	P 127,765,536
Issued	**20,000,000**	-
Balance at End of Period	**167,765,536**	127,765,536
Subscribed Capital Stock - 44,446,892 and 52,446,893 shares for 2012 and 2011		
Balance at Beginning of Year	**242,234,464**	262,234,465
Addition (Deduction) - net	**(20,000,000)**	-
Balance at End of Period	**222,234,464**	262,234,465
Less: Subscription Receivable		
Balance at Beginning of Year	**42,010,443**	57,960,502
Addition (Deduction) - net	**(5,345,300)**	(8,204,759)
Balance at End of Period	**36,665,143**	49,755,743
	185,569,321	212,478,722
Class "B" - 144,000,000 shares for 2012 and 2011		
Issued and Outstanding - 4,252,435 shares for 2012 and 2011		
Balance at Beginning of Year	**21,262,175**	21,262,175
Issued	**-**	-
Balance at End of Period	**21,262,175**	21,262,175
Subscribed Capital Stock - 47,747,565 shares for 2012 and 2011		
Balance at Beginning of Year	**238,737,825**	238,737,825
Addition (Deduction) - net	**-**	-
Balance at End of Period	**238,737,825**	238,737,825
Less: Subscription Receivable		
Balance at Beginning of Year	**7,273,369**	7,273,369
Addition (Deduction) - net	**-**	-
Balance at End of Period	**7,273,369**	7,273,369
	231,464,456	231,464,456
TOTAL PAID UP CAPITAL	**606,061,488**	592,970,889
FAIR VALUE RESERVE ON AFS INVESTMENTS	**(946,960)**	(870,950)
REVALUATION SURPLUS	**25,000,000**	25,000,000
RETAINED EARNINGS (DEFICIT)		
Balance at the beginning of year	**(161,113,645)**	(155,229,991)
Comprehensive Loss for the period	**(2,890,215)**	(3,346,573)
Balance at the end of the period	**(164,003,860)**	(158,576,564)
NON-CONTROLLING INTEREST	**(735,793)**	(679,961)
TOTAL EQUITY	**P 465,374,876**	P 457,843,414

IMPERIAL RESOURCES, INCORPORATED AND A SUBSIDIARY

Consolidated Statements of Comprehensive Income

(Unaudited)

For the Six (6) Months Ended, June 30, 2012 and 2011

and For the Quarters Ended, June 30, 2012 and 2011

Amounts in Philippine Peso

	For the Six Months ended June 30		For the Three Months ended June 30	
	2012	2011	**2012**	2011
INCOME				
Interest Income	**P 4,563**	P -	**P 2,959**	P -
EXPENSES				
Salaries and Wages	**1,280,008**	**1,217,872**	**669,297**	612,413
Director's Fee	**50,000**	**60,000**	**25,000**	30,000
Professional Fees	**90,600**	**283,502**	**60,400**	186,893
Utilities	**252,975**	**268,118**	**116,920**	150,436
Rental	**326,880**	**238,533**	**202,640**	120,933
Repairs and Maintenance	**81,573**	**302,564**	**30,540**	165,148
Travel and Transportation	**73,118**	**137,006**	**25,020**	83,038
Dues and Subscription	**315,803**	**344,042**	**31,080**	53,723
Miscellaneous	**38,201**	**39,506**	**24,967**	16,700
Security Services	**204,200**	**221,000**	**136,000**	123,000
Supplies and other office expenses	**52,684**	**136,478**	**40,754**	73,056
SSS, PHIC and HDMF contributions	**39,281**	**31,885**	**26,317**	19,112
Representation and Entertainment	**21,800**	**14,116**	**8,202**	1,794
Taxes and Licenses	**48,634**	**52,625**	**10,383**	8,084
Insurance	**48,215**	**33,130**	**10,925**	950
	2,923,973	**3,380,377**	**1,418,444**	1,645,280
LOSS FROM OPERATIONS	**(2,919,409)**	**(3,380,377)**	**(1,415,485)**	(1,645,280)
OTHER COMPREHENSIVE INCOME (LOSS)	**-**	**-**	**-**	-
TOTAL COMPREHENSIVE INCOME (LOSS)	**(2,919,409)**	**(3,380,377)**	**(1,415,485)**	(1,645,280)
TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO :				
Equity Holdings of the Parent Entity	**(2,890,215)**	**(3,346,573)**	**(1,401,330)**	(1,628,827)
Non-Controlling Interest	**(29,194)**	**(33,804)**	**(14,155)**	(16,453)
	P (2,919,409)	P (3,380,377)	**P (1,415,485)**	P (1,645,280)
LOSS PER SHARE	**(0.022)**	(0.026)	**(0.010)**	(0.013)

Note:

Loss per share amounts are computed by dividing the net loss for the period over the number of shares issued and outstanding at the end of the period which is 130,000,000 shares for 2012 and 2011.

IMPERIAL RESOURCES, INCORPORATED AND A SUBSIDIARY

Consolidated Statements of Cash Flows
(Unaudited)
For the Six (6) Months Ended June 30, 2012 and 2011

	Amounts in Philippine Peso	
	June 30 2012	June 30 2011
Cash Flows from Operating Activities		
Net loss for the period	**P (2,919,409)**	P (3,380,377)
Decrease (Increase) in :		
Receivables	**231**	743
Prepayments	**19,207**	-
Increase (Decrease) in :		
Accruals and other payables	**(49,294)**	(440,313)
	(2,949,265)	(3,819,947)
Cash Flows from Investing Activities		
Decrease (Increase) in :		
Property and equipment	**-**	(58,855)
Exploration and evaluation assets	**(2,559,300)**	(5,183,760)
	(2,559,300)	(5,242,615)
Cash Flows from Financing Activities		
Additional paid-up capital	**5,345,300**	8,204,760
Net Increase (Decrease) in Cash and Cash Equivalents	**(163,265)**	(857,802)
Cash and Cash Equivalents. January 1	**3,177,942**	3,659,471
Cash and Cash Equivalents, June 30	**P 3,014,677**	P 2,801,669

IMPERIAL RESOURCES, INCORPORATED AND A SUBSIDIARY

Aging of Accounts Receivable
(Unaudited)
As of June 30, 2012

1) Aging of Accounts Receivable

Type of Accounts Receivable	Total	1 Month	2-3 Months	4-6 Months	7 Months To 1 Year	1-2 Years	3-5 Years	5 Years-above	Past due accounts & Items in Litigation
a) Trade Receivables									
1)									
Trade Receivables	-								
b) Non-Trade Receivables									
1) Advances									
2) Others									
Others									
Non-Trade Receivable	-						-	-	
Total Accounts Receivable (net)	-								

2) Accounts Receivable Description

Type of Receivable	Nature/Description	Collection Period
1) Advances	Advances to other companies / individuals	
2) Others	Advances to officers and employees	

3) Normal Operating Cycle : Calendar Year (12 months)

Note : Allowance for bad debts was set up in the December 31, 2011 Financial Statements.
No additional allowance for bad debts was set up during the quarter ending June 30, 2012
No reversal of allowance for doubtful accounts.
No receivables as of June 30, 2012

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized

Issuer	**IMPERIAL RESOURCES, INC.**
Signature and Title	**VICENTE R. ACSAY** Corporate Secretary
Date	September 11, 2012
Signature and Title	**VILMA B. VILLANUEVA** Comptroller/Assistant Treasurer
Date	September 11, 2012